# **EXHIBIT H**

1/7/2008

1

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

ESTER LORUSSO,

Plaintiff,

-against-

1:07 CV 03583-LBS

ALITALIA-LINEE AEREE ITALIANE, SpA,

Defendant.

\_\_\_\_\_X

DEPOSITION OF FRANCESCO GALLO
Monday, January 7, 2008
New York, New York

REPORTED BY:

Holly Hough

1/7/2008

Page 3 of 9

### Francesco Gallo

**GALLO** 6 1 2 **EXAMINATION BY MS. KURZON:** Q. Good morning, Mr. Gallo. 3 A. Good morning. 4 5 O. My name is Carrie Kurzon. I represent the plaintiff, Ester LoRusso, in this matter. I'm going 6 to be asking you some questions today. I ask that 7 8 all of your answers be verbal so that the court reporter can take them down, and that you also let 9 me finish my questions before you begin your 10 answers, even if you believe you know what I'm going 11 to ask you, again, for the ease of the court 12 reporter. And if you don't understand any of my 13 questions, please let me know and I will rephrase 14 them for you. Do you understand? 15 A. Yes. 16 Q. Are you testifying today pursuant to a 17 subpoena that my office served you with previously? 18 19 O. And is there any reason you cannot testify 20 21 truthfully today? 22 A. No. 23 Q. Mr. Gallo, were you previously employed by 24 Alitalia? 25 A. Yes, I was. 1

GALLO 1 2 for the credit-and-collection procedure, which did 3 not exist. And because --MR. AKIN: She wants to know just about 4 your titles, not go into details of your 5 titles, just the titles. 6 THE WITNESS: Oh, sorry, okay. 7 8 A. After that I was promoted to administrative manager assistant for North America. 9 10 After a year or two, I was promoted to administrative manager for North America. 11 Q. Are you saying administrative? 12 A. Administrative manager. 13 Q. Thank you. 14 15 A. And after that I was promoted to CFO, 16 North America and vice president human relation, North America. After that I took part of the 17 committee for the human relation to represent 18 Alitalia. 19 20 MR. AKIN: She's interested in just the 21 titles, not what you did in those capacities, 22 just in what the title was. 23 A. Well, title remained the same, but okay. What I wanted to say, that I was also part of the 24 committee, there was no special title, with KLM 25

**GALLO** Q. And what were the dates of your

employment, approximately?

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

21

A. September 30, 1968 up through May, I believe, 8th, May 8, 2006.

O. And what were your titles that you held while employed by Alitalia? We can start from the beginning.

A. Well, it is a long time ago. I started as a junior accountant in the Accounting Department. While I was in the Administration Department, after probably one year or so, I was promoted to accountant.

Following that I was promoted to supervisor, financial agreement. After that I was transferred to be a supervisor of credit and collection for North America. After one year, I was a supervisor for credit and collection.

- Q. Supervisor for what?
- 20 A. Credit and collection.
  - Q. Okay.

22 A. I agreed with Alitalia to spend two weeks in Rome and two weeks in United States, where I 23 performing my duty as credit-and-collection 24

supervisor to design a system, an accounting system, 25

**GALLO** 

1 Alitalia Alliance. Came a point that actually from

'95 on, I believe, that I maintained the CFO title, 3 the vice president human relation, vice president 4

security for North America, till the end of 1999, 5

6 when I was nominated managing directer for North

America. I believe in 2002, I became senior vice president, senior vice president, regulatory affair 8 9 for North America, May 2008.

Q. May 2000-what?

A. May 2006, they fired me.

11 Q. And when you became senior vice president, 12 regulatory affairs for North America in 13 14 approximately 2002, did you maintain your title as

15 16

10

17

18

19

20

21

22

23

24

A. No, I maintained the title of CFO up to the time that I was also a managing directer and vice president human resources for North America. Actually, if you see it as being for a period of time that I had four major functions altogether.

Q. At which point in time?

A. 1999, I'll say, to 2001.

Q. And what were those four major functions?

A. CFO, vice president, human resources, security.

3 (Pages 6 to 9)

1/7/2008 **GALLO** 12 1 **GALLO** Q. And what time period are you referring to 2 Q. Vice president of security for North 2 when Mr. Sciarresi was directer of HR and you would 3 3 America? refer complaints to him? 4 Right, and managing directer. 4 A. I don't remember the specific dates, but I Q. And in 2002, when you were promoted to 5 5 believe that it was around 2003, the end of 2002, senior vice president, regulatory affairs for North 6 6 America, what were your job responsibilities at that 7 2003. 7 Q. In your capacity as senior vice president 8 8 time? from 2002 through the time of your termination, who 9 If I may, I would like to correct that. 9 reported to you, if anyone? 10 Q. Please do. 10 A. Well, after that, Mr. Sciarresi got sick 11 It was not a promotion, but it was a 11 and left, I was asked to retake the human resource 12 12 demotion. directly, so I had --13 Q. Oh, thank you. 13 MR. AKIN: Her question is very specific. 14 A. As far as I'm concerned. 14 She just wants to know people that reported to 15 Q. Okay. 15 you, who were subordinates that reported to A. And as far as Alitalia was concerned. 16 16 you, if I understand the question correctly. Q. When you were demoted in 2002 to senior 17 17 THE WITNESS: Okay. 18 vice president regulatory affairs for North America, 18 A. Angela Ross. 19 what did your job duties consist of? 19 O. And what are their titles? I'm sorry. The regulatory affair for North America, 20 20 A. Manager payroll, I believe, benefit and 21 security, legal, and for a period of time, vice 21 payroll. Stephanie --22 president human resources. 22 23 Q. DiClemente? Q. Were you told why you were being demoted 23 A. DiClemente, right. You know better than I 24 24 at that time? 25 do. A. Yes. 25 **GALLO** 13 1 11 GALLO 1 2 O. And what was her title? Q. What was the reason? 2 A. Manager training and development, A. I was hospitalized. When Mr. Luigi 3 3 something like that. And I believe Linda, Linda, I DiBianco, the two officers of Alitalia from Rome, 4 4 believe Monsarvartes, something like that. 5 came and visit me and told me that the CEO decided 5 MR. AKIN: If you don't remember, tell her to restructure the North America setup, and they 6 6 7 you don't know. were dividing the responsibility between me and a 7 Q. Just let me know if you don't remember 8 younger manager coming from Italy. 8 9 anything. O. And who is that? 9 10 Do you recall what Linda's title was? A. Mr. Wulff. 10 A. She was reporting to payroll, Q. That Neals Wulff? 11 11 representative anyway. And Marta Lotti, she was 12 A. Neals Wulff, right. 12 public relation directer, North America; Orlando Q. And who was the CEO at that time? 13 13 D'Oro, vice president regulatory affair; Juliana 14 A. Francesco, like me, Mengozzi. 14 McDonald, my assistant. And that's what I remember. O. And from 2002 through the time of your 15 15 Q. And in your capacity as senior vice termination, did part of your job responsibilities 16 16 president in 2002 through the time of your 17

include receiving complaints from other employees? 17 A. Yes, with the exception of frame of time 18 19

when Alitalia headquarters office transferred Mr. Andrea Sciarresi as directer of human resources. 20

Q. And during that time period, you did not 22 receive complaints?

A. If I did received any complaint, if had 23 received any complaint, I would refer that to 24 25 Mr. Sciarresi.

time was Mr. Fabiani, Paolo Fabiani. I was reporting to Mr. Leopoldo Conforti. Q. I'm sorry, what was Leopoldo Conforti's

A. To the director of sale worldwide, at that

22 23 title?

termination, who you did report to?

A. It was the general attorney and secretary 24 of the company. And I was reporting to Mr. Luigi 25

21

18

19

20

21

GALLO 26 **GALLO** 1 reason to terminate her during a probation period. 2 MS. KURZON: Yes. 2 Q. Other than anything else we discussed, was 3 Q. And what did you tell her? 3 4 there any reason other than the fact that she had 4 A. Absolutely not. 5 sexual relations with top management in Rome and 5 Q. Was Alitalia planning to terminate her during her probation period at GA 2000? 6 based on the fact that she was perceived as old? 6 A. No because if I recall well, I'm not sure, 7 7 MR. KORAL: Objection. 8 I insisted, or I tried, not to have a probationary 8 A. That's what I remember. Oh, one minute, excuse me. She was perceived to be a lesbian. Did 9 9 period. 10 I say that before? I don't remember. 10 Q. Did she have a probationary period at GA 11 2000? 11 O. And who told you that? 12 I don't think so. 12 A. Mr. Libutti. 13 Q. Did Ester express to you whether she 13 Q. And what did he say, if you recall? wanted to accept this position at GA 2000, other A. Came across with discussing the same 14 14 than her apprehension that she thought she would be story, so I don't remember exactly how it come up, 15 15 terminated during the probationary period? 16 16 but it came up more than once. 17 A. I believe she was a little concerned about 17 Q. In 2004 when you were having these the superiors that were there. 18 discussions, do you know approximately how old Ester 18 19 was at that time? 19 O. Did Alitalia issue a contract to GA 2000 20 20 on an annual basis? A. Late 40s, I believe. Q. Did Mr. Libutti or Mr. Galli express that 21 A. Yeah. 21 22 they wanted to get rid of everyone in their late 40s Q. Did Ester express any feelings to you that 22 she felt that GA 2000 would close shortly after she or just certain people or women or something else? 23 23 24 MR. KORAL: Objection. 24 was placed there? 25 A. Age was my sense, age, gays, lesbian. 25 A. Yes, she did. **GALLO** 29 1 GALLO 1 Q. Did she express to you why she felt that 2 Q. So at that time after you and Mr. Libutti 2 3 GA 2000 would dose shortly after she was placed and possibly at one meeting Mr. D'Ilario offered her 3 4 the severance and she refused it, was she in fact 4 there? 5 terminated at that time? 5 A. I don't recall. б Q. Just to get back to your prior testimony 6 A. No. regarding the severance offer that you and others O. Where did she work next? 7 7 8 made to Ms. LoRusso, you referenced a plan; is that 8 A. At GA 2000. 9 an early-retirement plan? 9 Q. And how did she come to work at GA 2000? A. Because that position was vacant. A. Yes, it was, but she could not be part of 10 10 11 Q. Who found her that position, if anyone? 11 it. Q. Why could she not be part of it? 12 A. I did. 12 A. Because prerequisite of that preretirement 13 Q. You did hold a position in GA 2000 at that 13 is, if I recall well, minimum age, 50, 53, you know, 14 14 time? there was going back and forth because - I believe 15 A. I was the president of GA 2000. 15 it was 50 or 53. Q. What was GA 2000? 16 16 A. Literally, the name was Grupo Alitalia Q. During that time did Mr. Galli and/or 17 17 2000. The objective for the creation of this Mr. Libutti tell you what age they would like the 18 18 19 company was to safeguard and regain all the ethnic 19 average woman to be in the New York office? 20 20 MR. KORAL: Objection. traffic to Italy. A. The objective and part of the plan was to 21 21 Q. When you found her this position at GA 22 2000, did Ester complain about age and/or gender 22 substitute older people with younger employees, no 23 discrimination at that time? 23 older than 30. Q. How did you know that that was the A. I remember that she asked me if we were 24 24

8 (Pages 26 to 29)

25

transferring, transferring her there for the only

25

objective?

1/7/2008

1/7/2008

1		1	GALLO 96
1 2		2	A. Which budget?     Q. The GA 2000 budget, the budget we're
14	• • •	4	talking about now.
5	,	5	A. In 2004, yes.
6		6	Q. And then when you say he presented it to
7		1 7	Rome, would that be to Mr. Galli, at least in the
8		8	first instance?
9	· · · · · · · · · · · · · · · · · · ·	9	A. That is correct.
10		10	Q. And then Mr. Galli might present it on to
11	<u>-</u>	11	other people in Rome?
12		12	A. Yes, kind of a big, you know, at different
13		13	levels.
14	Q. So it reported	14	<ul> <li>Q. Do you know who decided to approve Ms.</li> </ul>
15		15	LoRusso's promotion to managing director of GA 2000?
16	•		MS. KURZON: Objection to the term
17		17	"promotion."
18		18	MR. KORAL: I know what the objection was,
19		19	but you don't have to explain it.
20		20	A. What's the question?
21	Q. Approved by whom?	21	(Pending question was read.)
22	•	22	A. I proposed it and Galli approved, no,
23	··· - · · · · · · · · · · · · · · · · ·	23	Galli, Libutti, Galli, I remember that I was
24 25	•	24	involved, HR Rome was involved, and probably
	A. The budget is approved by the central	25	Mr. Libutti, yes.
•		1	
1	GALLO 95	1	GALLO 97
2	director. Mr. Libutti may have presented the	2	Q. Do you remember that Mr. Libutti was
2 3	director. Mr. Libutti may have presented the budget.	2	Q. Do you remember that Mr. Libutti was involved?
2 3 4	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve	2 3 4	Q. Do you remember that Mr. Libutti was involved? A. Yes.
2 3 4 5	director. Mr. Libutti may have presented the budget. Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for	2 3 4 5	Q. Do you remember that Mr. Libutti was involved? A. Yes. Q. And Mr. Galli, was he involved at all?
2 3 4 5 6	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?	2 3 4 5 6	<ul> <li>Q. Do you remember that Mr. Libutti was involved?</li> <li>A. Yes.</li> <li>Q. And Mr. Galli, was he involved at all?</li> <li>A. Yes.</li> </ul>
2 3 4 5 6 7	director. Mr. Libutti may have presented the budget. Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're	2 3 4 5 6 7	Q. Do you remember that Mr. Libutti was involved? A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the
2 3 4 5 6 7 8	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question	2 3 4 5 6 7 8	Q. Do you remember that Mr. Libutti was involved? A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director?
2 3 4 5 6 7	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.	2 3 4 5 6 7	Q. Do you remember that Mr. Libutti was involved? A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes.
2 3 4 5 6 7 8 9	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question	2 3 4 5 6 7 8 9	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection.
2 3 4 5 6 7 8 9 10 11 12	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.	2 3 4 5 6 7 8 9	Q. Do you remember that Mr. Libutti was involved? A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes.
2 3 4 5 6 7 8 9 10 11 12 13	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.	2 3 4 5 6 7 8 9 10	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received
2 3 4 5 6 7 8 9 10 11 12 13 14	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.	2 3 4 5 6 7 8 9 10 11 12 13 14	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA
2 3 4 5 6 7 8 9 10 11 12 13 14 15	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?	2 3 4 5 6 7 8 9 10 11 12 13 14 15	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.  Q. Oh, okay. So Mr. Libutti presented the	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number. Q. But approximately, was it a large
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.  Q. Oh, okay. So Mr. Libutti presented the budget to Rome?	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number. Q. But approximately, was it a large increase, would you say?
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.  Q. Oh, okay. So Mr. Libutti presented the budget to Rome?  MS. KURZON: Objection.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number. Q. But approximately, was it a large increase, would you say? A. I would say so.
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.  Q. Oh, okay. So Mr. Libutti presented the budget to Rome?  MS. KURZON: Objection.  MR. AKIN: Answer the question.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number. Q. But approximately, was it a large increase, would you say? A. I would say so. Q. Okay. You did testify that Ms. LoRusso
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.  Q. Oh, okay. So Mr. Libutti presented the budget to Rome?  MS. KURZON: Objection.  MR. AKIN: Answer the question.  Q. Mr. Libutti presented the budget to Rome;	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number. Q. But approximately, was it a large increase, would you say? A. I would say so. Q. Okay. You did testify that Ms. LoRusso told you that she was afraid that GA 2000 would
2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	director. Mr. Libutti may have presented the budget.  Q. Which means that Mr. Libutti would approve the budget before he would present it to Rome for some kind of final approval, yes?  MR. AKIN: Note my objection. You're arguing at this point. If you have a question to ask, go ahead and ask it.  MS. KURZON: Objection.  Q. You can answer, you know. You can answer.  MR. AKIN: If you understand the question, you can answer it. If you don't understand —  A. I'm trying to understand.  Q. You don't understand that question?  A. No, no. I'm trying to help you understand the setup.  Q. Keep going.  A. I finished.  Q. Oh, okay. So Mr. Libutti presented the budget to Rome?  MS. KURZON: Objection.  MR. AKIN: Answer the question.	2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23	Q. Do you remember that Mr. Libutti was involved?  A. Yes. Q. And Mr. Galli, was he involved at all? A. Yes. Q. So both Libutti and Galli approved the promotion to managing director? A. Yes. MS. KURZON: Objection. Q. Do you consider that Ms. LoRusso received a promotion when she became managing director of GA 2000? A. Yes. Q. Did she get more money? A. Yes. Q. Do you recall approximately what percentage increase she received in salary? A. I don't recall the exact number. Q. But approximately, was it a large increase, would you say? A. I would say so. Q. Okay. You did testify that Ms. LoRusso

25 (Pages 94 to 97)

1/7/2008 Francesco Gallo **GALLO** 100 **GALLO** 98 1 2 A. Right. A. No. Q. No. You did testify that she was afraid 3 Q. That Mr. Libutti said so, as well? 4 MR. AKIN: Is that a question? that she would be put on probation and they would 5 MR. KORAL: Yes, I'm sorry, a question fire her? 6 mark at the end of that. She was soon to be terminated. Q. But in fact, she wasn't put on probation? 7 A. I don't remember. I was having outside information from the intermediaries, the agents, 8 A. At GA 2000, I don't think so. Q. Do you recall? 9 about her performance. A. When I say I don't think so, I don't 10 Q. Did you ever hear any criticisms of her remember. I'm not sure. 11 performance at GA 2000 from Mr. Libutti? Q. You're not sure, you certainly don't 12 A. No. Q. Did you ever hear any criticism of her recall whether Mr. Libutti agreed that she would not 13 performance at GA 2000 from Mr. Galli? 14 be on probation? 15 A. I think probably at the end, he agreed not 16 Q. Did you have any role in the decision to to, right. close GA 2000 and -- what was it -- Executive Tour? Q. And Mr. Galli, do you know if he was 17 involved in agreeing that she wouldn't be put on 18 A. Global Executive. 19 MR. AKIN: Global Executive. probation? 20 Q. Sorry. Did you have any role in the A. Yes. decision to close those two businesses? 21 Q. He agreed, as well? 22 A. Absolutely not. A. I think so. Q. I know I asked this and that you answered 23 Q. Were you consulted? it, but I'm going to ask it again, and they can 24 object if they want. 25 Q. You didn't know it was going to happen? **GALLO** 101 **GALLO** 1 A. They asked me to close it. 2 You are quite sure that Ms. LoRusso did Q. Who asked you? not express to you fears that GA 2000 would close 3 soon after she got this promotion to managing 4 A. Mr. Galli and Mr. Libutti. 5 Q. They both did? director? A. Yes. A. I believe at a certain point, she did 6 express that, but it was I believe the end of 2000. 7 Q. Do you know whether they had any role in the decision to close it? I don't remember the date, but it was after. 8 A. No. 9 O. It was after she actually was in that Q. Did you have any feeling in, say, position? 10 September, October, 2004, around the time Ms. 11 A. Oh, yes. LoRusso became managing directer of GA 2000, that GA Q. And would you say it is fair to say that 12 13 2000 might be closed? although you were president, she was essentially the 14 A. No. head of that operation for operational purposes? 15 Q. No, okay. And in the course of the year A. Definitely, yes. that Ms. LoRusso was managing director, did you have 16

Q. She was running it?

A. Yes, and all the employees, as well.

Q. Did you ever hear any criticisms of Ms.

LoRusso's performance in that role? 19

A. Positive criticism, yes.

Q. You heard criticism?

A. Positive. 22

1 2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

1

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

20

21

23

Q. Positive.

24 A. Very well.

25 Q. They said she was doing a good job? A. No.

dosing it?

Q. You gave a lot of testimony to Ms. Kurzon regarding the early-retirement plan, I should say plans, that Alitalia instituted, correct?

any reason to think that anybody was thinking of

A. Correct.

24 Q. That's not a question. There were three such early-retirement plans, correct?

26 (Pages 98 to 101)

17

18 19

20

21

22

23

**GALLO** 108 **GALLO** 106 1 1 A. Myself, Mr. Libutti, and the HR manager in 2 A. No, no, during the process because I had 2 the difficulties to have Ester promoted. And as I 3 3 Rome, what's his name, and also Mr. Marchese because testified before, I request the support of the main he had to release him because he was reporting to 4 5 office. And also Mr. Libutti helped me to got rid him. What's his name? I don't remember. 5 of her, you know, to have Cargo Division to accept 6 Q. An HR person in Rome? 6 7 7 A. Yes. Q. Mr. Libutti helped you get her into the 8 Q. Is this --8 A. Not Shebilia. 9 9 Cargo Division? Q. No, not Shebilia, okay. Schioppa? 10 A. Yes. 10 Q. How did he do that? A. No, his assistant. 11 11 A. Talking to Galli and asking Galli to talk Q. Schloppa's assistant approved this? 12 12 to Mr. Ricci, who was the central directer of cargo 13 13 A. Yes. worldwide. Q. The hiring of Mr. Oksuz as a vice 14 14 Q. And Mr. Libutti did that for you? 15 15 president of regulatory affairs? 16 A. He participated in the process, uh-huh, 16 A. Yes, for me. but not, what's his name, I don't remember his name 17 Q. Because he wanted to get rid of her? 17 because I have it in front of me. 18 18 19 Q. Get rid of her from the Passenger Q. Okay, but it was Schioppa's assistant? 19 Division, I mean. 20 20 A. Yes. A. Yes. Q. And the four of you approved Mr. Oksuz to 21 21 Q. Yes? 22 22 replace Mr. D'Oro who took the early retirement, 23 23 correct? A. Yes. Q. Are you aware that in the period from the 24 24 A. Yes. 25 time that GA 2000 closed until Ester LoRusso began 25 Q. And do you know how old Mr. Oksuz was at 109 107 1 **GALLO GALLO** working in Cargo in April that she continued at her 2 2 the time? 3 managing director salary? 3 A. Thirty-three, 34. Q. Thirty-three or 34? 4 A. Yes. 4 5 Q. Did Mr. Libutti object to that at all? A. Early 30s. 5 A. We never discussed it. б 6 Q. Or 35 or 36 maybe? Q. Did Mr. Libutti have anything to do with 7 7 A. Maybe. setting Ester LoRusso's salary in the Cargo Q. You're not sure. We will talk a little 8 8 Division? bit more about Mr. Oksuz later. 9 9 10 Who else besides Mr. D'Oro was replaced, 10 A. No. Q. Did Mr. Galli have anything to do with my question originally was by a new hire, but I will 11 11 setting Ester LoRusso's salary in the Cargo just say by anybody from any of the ERPs? 12 12 Division? A. There were several. I don't recall them. 13 13 But if you get the cards from personnel, you will 14 A. No. 14 Q. The position in the Cargo Division, you 15 15 said there was a vacancy that occurred, correct? Q. You testified that you were the person who 16 16 found the position for Ester LoRusso in the Cargo 17 17 O. In your opinion, was the position that 18 Department. 18 Ester LoRusso was given a real position? 19 19 A. Yes. 20 20 Q. Was Mr. Libutti involved at all? There was a real job to be done there, 21 A. He was informed of, yes. 21 22 Q. Informed? correct? 22 A. Right, especially at that time. 23 A. Informed, right. 23 Q. Okay. Q. You mean as a fait accompli? 24 24 25 MS. KURZON: Objection. A. Right. 25

28 (Pages 106 to 109)

1/7/2008

Francesco Gallo 1/7/2008

GALLO 128 GALLO 126 1 1 2 2 Q. Did you ever report that complaint or A. I don't remember. 3 investigate that complaint at all? Q. Do you know whether Mr. Galli took part in 3 A. Well, investigate? I saw where she was the two-day seminar? 4 located, I knew she was by herself, all the other 5 A. I don't remember. 5 people left. The majority were not employees, were 6 Q. Do you know whether Mr. Galli was asked to employees rented by agency, outside agency. take part in the two-day seminar? 7 And I remember that talking to Giulio 8 8 A. Huh? 9 Libutti saying we could move her back on our floor 9 Q. Do you know whether Mr. Galli was asked to because, you know, she was really by herself and the 10 take part? 10 four walls there. 11 11 A. I don't, I don't remember. Q. And what did Mr. Libutti say in response? 12 Q. Moving on, you mentioned Tim O'Neill in 12 A. As soon as we have free space, we may do one of your responses to Mr. Koral's question about 13 13 14 who took over the marketing position after Ester was Q. And did there eventually become free moved to GA 2000. 15 15 16 How old is Tim O'Neill? space? 16 A. Then I left. I don't know. Yeah, MR. KORAL: Objection. 17 17 18 probably my space. MR. AKIN: You can answer. 18 O. Did she ever get moved to your space? A. How is the question? 19 19 20 A. I don't know. 20 How old is Tim O'Neill, or excuse me, strike that. 21 Q. When Mr. Koral asked you whether you 21 22 considered Ester's transfer to GA 2000 to be a 22 How old was Tim O'Neill when Ester was 23 promotion, and you said that you did consider it to 23 transferred to GA 2000? 24 be a promotion --A. I don't know, but I would say in his 40s. 24 A. Sure. 25 Q. And do you know what position --25 127 GALLO 129 GALLO 1 1 Q. - in light of the increased salary. 2 2 A. Probably more or less the same age. I A. Not only that, because also because of the 3 3 don't know exactly. money, but I expected GA to grow, because that was 4 Q. Do you know what position Mr. O'Neill held 4 before obtaining these new responsibilities? 5 the project. 5 6 Q. Do you know if Ester considered this a A. I believe he was assistant to Mr. Libutti. 6 7 promotion? 7 O. In response to one of Mr. Koral's MR. KORAL: Objection. questions, you mentioned Ester being located on the 8 8 37th floor. 9 O. Did Ester tell you she considered this a 9 10 promotion? 10 A. 37th? MR. AKIN: 32nd. 11 A. Ester always was under the impression 11 12 that, you know, she will be fired, terminated. Q. 32nd? I heard 37th. 12 Q. You testified that Ester was under the 13 **13** MR. KORAL: I heard 37th. impression that GA 2000 was going to close, even MS. KURZON: Yes, that's what I heard, as 14 14 15 though you were not of that impression. 15 16 A. No. O. Did you ever receive any complaints from 16 17 Q. Do you know Ester thought that GA 2000 was Ester about where she was located at that time? 17 18 going to close? 18 A. At a certain point, yes. 19 A. Because of the miserable life that they 19 Q. What were those? 20 made to her. I mean, how many times do I have to 20 A. Because after that, all the employees were

33 (Pages 126 to 129)

tell you? Since they arrived, they were after her.

Q. While she was in GA 2000, you testified

that you think Libutti and Galli agreed not to place

At whose request did this come to not put

A. Yes.

in that space, by herself.

by herself on the 37th floor?

21

22

23

24

25

terminated within GA 2000, she left in that office,

Q. And were her complaints just that she was

21

22

23

24

25

her on probation.